

Minneapolis Community Development Agency

Request for City Council Action

Date: January 21, 2003

To: Council Member Lisa Goodman, Community Development Committee

Prepared by Dollie Crowther, Senior Project Coordinator, Phone 612-673-5263

Approved by Chuck Lutz, MCDA Interim Executive Director _____

Subject: Allocation of 2003 Federal Low Income Housing Tax Credits

Previous Directives: The City Council approved the Qualified Allocation Plan and Procedural Manual on May 17, 2002. On November the 8, 2002 the City Council approved an allocation of tax credits to four projects.

Ward: Varies with each proposal.

Neighborhood Group Notification: Varies with each proposal.

Consistency with *Building a City That Works*: Provide a diversity of housing choices within each community.

Comprehensive Plan Compliance: Varies with each proposal.

Zoning Code Compliance: Projects will comply.

Impact on MCDA Budget: (Check those that apply)

- ☐ No financial impact
- ☐ Action requires an appropriation increase to the MCDA Budget
- ☐ Action provides increased revenue for appropriation increase
- ☐ Action requires use of contingency or reserves
- ☒ Other financial impact (Explain):

*Application fees are collected to offset administrative expenses.

Living Wage / Business Subsidy: NA

Job Linkage: NA

Affirmative Action Compliance: Will Comply.

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RECOMMENDATION: IT IS RECOMMENDED THAT THE CITY COUNCIL PRELIMINARILY RESERVE 2003 FEDERAL LOW INCOME HOUSING TAX CREDITS TOTALING \$490,505 FOR THE FOLLOWING PROJECTS:

- A) LINDQUIST APARTMENTS - 1927-1935 WEST BROADWAY (IN THE AMOUNT OF \$130,977)**
- B) NEAR NORTHSIDE - OLSON HIGHWAY AND LYNDALE (IN THE AMOUNT OF \$359,528)**

Dear Council Member Goodman:

On November 8, 2002, the City Council approved the preliminary reservation of \$925,698 of 2003 Federal Low Income Housing Tax Credits for the following projects:

- Lydia House - 1920 La Salle Avenue (\$411,436)
- The Boulevard - 5320 Lyndale Avenue (\$23,757)
- Lindquist Apartments - 1927-1935 West Broadway (\$142,832)
- Near Northside - Olson Highway and Lyndale (\$347,673)

It was agreed that the Minnesota Housing Finance Agency (MHFA) would also participate to fulfill the projects necessary tax credit requests. In order to provide the amount of tax credits needed for the Lindquist Apartments, the MHFA and MCDA together reserved an allocation. The MHFA gave the project more credits than was originally agreed upon which meant the MCDA could reduce their amount of tax credits totaling \$11,855. This amount became available for another project. Staff decided to allocate the \$11,855 to the Near Northside project, which only received half of their requested amount.